**THE RELATIONSHIP BETWEEN MALAYSIAN AND MAJOR WORLD**

**STOCK MARKET**


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**BACHELOR BUSINESS ADMINISTRATION**

**(HONS) FINANCE**

**FACULTY OF BUSINESS MANAGEMENT**

**UNIVERSITY TEKNOLOGI MARA**

**SEGAMAT, JOHOR**


**DECEMBER 2016**

Title:

# THE RELATIONSHIP BETWEEN MALAYSIAN AND MAJOR WORLD

# STOCK MARKET

By:

**NUR FARIDAH BINTI ZAIDI**

**(2014252592)**

**Submitted in Partial Fulfillment**

**of Requirement for the**

**Bachelor Business Administration (Hons) Finance**

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**UNIVERSITY TEKNOLOGI MARA**

**SEGAMAT, JOHOR**

**DECEMBER 2016**

**DECLARATION OF ORIGINAL WORK**

**BACHELOR BUSINESS ADMINISTRATION**

**(HONS) FINANCE**

**FACULTY OF BUSINESS MANAGEMENT**

**UNIVERSITY TEKNOLOGI MARA**

**JOHOR**

**"DECLARATION OF ORIGINAL WORK"**

**I, Nur Faridah binti Zaidi                  (I/C Numbe: 930809016076)**

Hereby, I declaire that,

- This work has not previously been accepted in substance for any degree, locally or overseas and is not being concurrently for this degree or any other degree

- This project paper is the result of my independent work and investigation except where otherwise stated

- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledge

**Signature :** ———————————            **Date :** ———————————

# LETTER OF SUBMISSION

28th December 2016


Madam Nik Nur Shafika Binti Mustafa

Faculty of Business Management

Universiti Teknologi MARA

85000 Segamat

Johor Darul Takzim


Dear Madam,

SUBMISSION OF PROJECT PAPER

Attached is the project titled **" THE RELATIONSHIP BETWEEN MALAYSIAN AND MAJOR WORLD STOCK MARKET "** to fulfill the requirement as needed by the Faculty of Business management Universiti Teknologi MARA.

Thank you.


Yours sincerely,


**NUR FARIDAH BINTI ZAIDI**

**Bachelor Business Administration (Hons) Finance**

**ABSTRACT**

It is well known that many countries around the world depend on the US as their major                                                                         trade partner. As a result, if something does happen to US stock market it surely will affect the others stock market. In this study, I investigate the relationship between Malaysia and international stock market namely U.S, U.K, Korea, Singapore, and Japan using daily data for the period 27 February 2009 until 31 December 2015. In order to find out the result there are six tests was using which is Descriptive test, Normality test, Unit root test, Pearson correlation, Regression, and White test. From the test all the three objectives was answered when there are positive relationship between KLCI and major world stock market while the most risky toward volatility of the stock are FTSE Straits Times Index and Nikkei 225 if compared to four other stock.

**Keywords:** Stock market, Volatility, Unit Root test, Regression